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Commerce Agency Claims Gain in Easing Licensing Backlog for High-Tech Goods

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WASHINGTON — The Commerce Department is expected to tell Congress this week that it is catching up with a licensing backlog that has delayed shipment of American high-technology products to foreign buyers.

But the newly computerized export-licensing operation still has to buck the tide of Pentagon resistance to proposals to free certain products from controls, as a way to lighten the licensing load.

In testimony to be submitted to Congress Wednesday, William Archey, assistant secretary of commerce and trade administration, will report that computer handling of licensing has cut the average processing time for most of the noncommunist world to 15 days from 40 days a year and a half ago.

Mr. Archey also is expected to announce plans to expand his licensing and enforcement budget by 70% and acquire 100 more officers to expedite applications.

"Except for some remaining problems with the China trade, we're moving out licenses faster and losing less stuff to illegal diversions," he said. "We're winning the war."

Not Everyone Is Certain

Not everyone is so certain all the bugs have been worked out, however.

Rep. Ed Zschau (R., Calif.), a member of the House subcommittee on international trade policy, is concerned that the system is still incoherent and cumbersome at a time when "we're running a \$6.3 billion electronics trade deficit with the rest of the world."

And the Commerce Department and the Pentagon seem at odds. For instance, when Commerce Secretary Malcolm Baldrige announced March 14 that U.S. companies would be allowed to petition for the removal of controls on products for which there are sufficient foreign substitutes, the Defense Department lashed back. "There won't be any massive liberalization," said Stephen Bryen, the Pentagon's strategic

trade chief. "Such announcements only serve to unduly raise expectations."

The House panel also is inviting Defense and State Department representatives to testify on interagency coordination. U.S. exporters complain that federal agencies still quarrel over policy interpretations despite President Reagan's recent directive ordering close teamwork.

The Commerce Department concedes that it hasn't untangled all the purely mechanical snags. A computer breakdown, for instance, has seriously delayed the clearance of more than 1,000 licenses for technology exports to China. "There are a lot of big companies fuming over that," said a Washington lawyer working on export-control cases. "One of them has just about given up on a potential multimillion-dollar sale."

Process Speeded

Nonetheless, Mr. Archey contends that the Commerce Department has come a long way since 1983, when U.S. technology vendors besieged Congress with complaints about inefficiency and confusion in the licensing process. "We've not only speeded the paper movement in our own department but also the process of referring cases to other agencies if such is necessary," he said.

At the same time, the department has so tightened its watch on questionable license applications that it hasn't heard of a single major shipment being diverted to the Soviet bloc in the past year, Mr. Archey said.

The new computer system provides much of that vigilance. If a potential buyer's name is on a list kept by the intelligence community, a blip appears on the computer screens and the license application is quickly sent to the department's enforcement office for investigation. The computer also halts a license for a similar check if the department doesn't have any previous record of the seller or buyer.

The enforcement office, however, is required to make a security determination on such licenses within 10 days to avoid unnecessary delays.